

***Health Care Summit Rapid Response #8:  
--Democrats Claim Superior (and Sound) Health Care "Coverage"--***

**Assertion 8** (4:44 p.m.):

The president and congressional Democrats have chosen to wrap up the White House Health Care Summit with a discussion on coverage. As a reminder, the majority of Americans care most about health care costs—which has been the primary focus of Republicans during the health care debate of the last year.

Rep. Peter Roskam just spent some time walking through the reality and consequences of how the Democrats expand coverage. Here's how, courtesy of Rep. Roskam and his office:

**Democrats' Coverage Expansion Relies on Medicaid:**

CBO predicts the Senate bill (the base for the president's proposal) would expand Medicaid by 15 million beneficiaries in the Senate bill, an increase of more than 40% of current levels. The Administration's own CMS Actuaries estimate 18 million new Medicaid beneficiaries, more than one-half of the expansion of coverage.

**Medicaid Should Not Be Our Aspiration:**

Our priority should be lowering costs and improving quality, not locking 15 million (or more) Americans into a badly broken program. The best way to explain why Republicans oppose Medicaid expansion is to quote a Democrat, Governor Brian Schweitzer of Montana, who said:

*"One of the least effective programs in terms of healthcare, in the history of this country, is something called Medicaid. About 20 percent of America is on a Medicaid program and they would like to shift it and grow it to somewhere around 25 or 30 percent. ... Now Medicaid is a system that isn't working, almost everyone agrees. But what Congress intends to do is increase the number [of people] on Medicaid so they could do it for the cheap. It is not working for anybody."*

**Government-Run Programs, Especially Medicaid, Already Increase Private Health Insurance Premiums by \$1,500 per Year:**

Expanding Medicaid by 15 million (or more), as Democrats do, would make this problem worse. A report by the actuary Milliman estimated the "hidden tax" commercial payers pay to subsidize the costs of Medicare and Medicaid at \$88.8 billion per year. This means that the average healthcare premium is \$1,512 (or 10.6 percent) more annually per family than it would be without the cost shift. The Milliman study demonstrates that expanding Medicaid would increase the cost of private health insurance significantly.

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## **Expanding Coverage Means Expanding Medicaid, Not Access:**

While the Senate bill would add 15 million Americans to the Medicaid rolls, forty percent of doctors restrict access to Medicaid patients, because Medicaid pays physicians forty percent below private insurance plans.

In a 2006 report from the Center for Studying Health System Change, a nonprofit research group based in Washington, nearly half of all doctors polled said they had stopped accepting or limited the number of new Medicaid patients (WSJ 2007).

A 2005 study published by the American College of Cardiology found that Medicaid patients were almost 50% more likely to die after coronary artery bypass surgery than patients with private coverage or Medicare. The authors suggest this may be a result of poorer long-term, follow-up care. Like many other similar studies, this one tried to control for the other social and medical factors that are believed to influence patients' clinical outcomes (WSJ 01 08 2009). The same trend can be observed for other diseases. For example, a study of adults with cancer published in the journal Cancer (2005) found that patients in Medicaid were two to three times more likely to die from the disease (WSJ 01 08 2009).